STATE OF MAINE
PUBLIC UTILITIES COMMISSION

August 30, 2000

ORDER

ISLAND TELEPHONE COMPANY Request for Waiver of Chapter 204 (BSCA Rule) Docket No. 1999-572

SOMERSET TELEPHONE COMPANY Request for Waiver of Chapter 204 (BSCA Rule) (Moosehorn Exchange) Docket No. 2000-699

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

I. SUMMARY

In this Order, we grant a continued waiver of the Commission Part III, Section A of its Basic Service Calling Area (BSCA) Rule for two Telephone and Data System affiliates, Island Telephone Company (Island) and Somerset Telephone Company (Somerset).

II. BACKGROUND AND DECISION

On July 8, 1999, Island requested that the Commission grant a continued waiver of Part III, Section A of the Basic Service Calling Area (BSCA) rule (Chapter 204) for its Matinicus exchange. Since Matinicus meets the BSCA threshold it would have to provide 2-way BSCA service to Rockland if the continued waiver is not granted. The waiver has been requested because Matinicus is an island connected to the mainland by an extremely costly microwave link. That fact will make the provision of BSCA service to Rockland very costly. Most of those additional costs would be caused by a separations shift from the interstate to the state jurisdiction.

On July 8, 1999, Somerset also requested "confirmation" that its Moosehorn exchange is not covered by the BSCA rule. Somerset justified its position by citing the fact that Moosehorn is remote and served by radio.

On July 21, 2000, the Federal State Joint Board in FCC Docket 80-286 recommended that the Federal Communications Commission adopt an interim freeze on separations factors. If that recommendation is adopted, most of the cost shift which would make BSCA service costly in Matinicus and Moosehorn will not occur.

¹ This portion of TDS's request was docketed recently.

We find that a waiver of the BSCA rule as it applies to Matinicus and Moosehorn is justified until the separation factors are frozen by the FCC. Unless we grant such a waiver, the rates would have to be increased by an amount significantly in excess of the average existing toll usage amounts because of the current separations procedure effects.

Therefore we will waive Chapter 204 (Part III, Section A) as it applies to Island and Somerset. If, and when, separation factors are frozen by the FCC, the waiver will cease within 60 days of the date of the FCC's final order. At that time Island and Somerset will need to refile for continued waivers or institute the BSCA that meets the rule.

Dated at Augusta, Maine, this 30th day of August, 2000.

BY ORDER OF THE COMMISSION

Dennis L. Keschl

Dennis L. Keschl Administrative Director

COMMISSIONERS VOTING FOR:

Welch Nugent Diamond

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

- 1. <u>Reconsideration</u> of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
- 2. <u>Appeal of a final decision</u> of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Civil Procedure, Rule 73, et seq.
- 3. <u>Additional court review</u> of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.